

Staff Report for 2019 State Board of Equalization

September 25, 2019

File No.: 2019-WILLISTON-REGENCY APTS

Prepared By: Property Tax Division – LM

County or City: City of Williston

Appellant: RAH Property Owner LLC

Issue: Protests the assessment of parcel number 01-488-00-00-01-020 and 01-488-00-00-01-010 – RAH Property Owner LLC.

Summary: Michelle Turner of Ryan LLC, agent for RAH Property Owner LLC, protests the assessment on the complex located within the City of Williston. The appellant believes the assessment is too high.

Analysis: The City of Williston Board of Equalization and the Williams County Board of Equalization approved apartment parcel 01-488-00-00-01-010 and 01-488-00-00-01-020 with a total assessment of \$11,569,500 (\$2,190,900 for the land and \$9,378,600 for the improvements).

An onsite inspection was completed on August 20, 2019 on the five 3-story buildings with 144 units built in 2014, 15-1 bedroom; 123-2 bedroom; 6-3 bedroom. Consideration was given to the three approaches to value. Staff considered the cost approach provided by the Williston Assessing Office and Marshall & Swift valuation with regional and local multipliers and depreciation factor applied. The review indicated a greater total value than the overall true and full value. Sales approach took into consideration the sales of the 6 smaller and 5 larger apartments within Williston in 2018. The five larger apartments had sale prices ranging from the low of \$12,310,000 to a high of \$34,125,000, median sale price of \$23,678,500 and a median sales ratio within tolerance.

Property website advertised and reported rates were used to create an income valuation model. Applying the average gross income with the income model gross rent multiplier to reach opinion of assessment was deemed acceptable for an income producing commercial property.

With consideration given to the three approaches to value, the income approach used in determining the opinion of assessment was deemed acceptable and within standard assessment practices. Upon completion of the review, the information gathered by the Property Tax Division supports the \$11,569,500 as approved by the city and county.

Recommendation: No change required.